REMARKS/ARGUMENTS

Reconsideration and withdrawal of the rejections of the application are respectfully requested in view of the amendments and remarks herewith, which place the application into condition for allowance. The present amendment is being made to facilitate prosecution of the application.

I. STATUS OF THE CLAIMS AND FORMAL MATTERS

Claims 1-3, 6, 7, 9 and 10 are currently pending. Claims 4 and 8 are canceled and claim 10 is added. Claims 1, 7, 9 and 10 are independent. Claims 1, 7 and 9 are hereby amended. No new matter has been introduced. Support for this amendment is provided throughout the Specification as originally filed.

Changes to the claims are not made for the purpose of patentability within the meaning of 35 U.S.C. §101, §102, §103, or §112. Rather, these changes are made simply for clarification and to round out the scope of protection to which Applicants are entitled.

II. INTERVIEW

Applicant thanks the Examiner for granting the telephone interview of February 2, 2007. The Examiner and the Applicant discussed the claim 1 language that resulted in the §112 rejection. No agreement was reached on claim language that would overcome the Examiner's rejection.

III. REJECTIONS UNDER 35 U.S.C. §112

Claim 1 has been amended to overcome the §112 rejection. Claim 1, as amended, recite *inter alia*:

> "receiving contents and content usage rights information from a contents distribution server in response to a user request at a memory storage device remote from the user
> . . .
> disabling use of the contents stored on the memory storage device
> . . .
> deleting the contents stored on the memory storage device." (emphasis added)

Thus, claim 1 recites that contents and content usage rights are received from a distribution server and stored on a memory storage device that is remote from the user. The user has access to the contents on the memory storage device as restricted by the content usage rights. The contents may be disabled or deleted from the memory storage device while the contents on the distribution server still obtains. Further, FIG. 8 illustrates an example of the memory storage device acting as a gateway accessible to multiple client terminals that in combination have content usage rights to the contents stored on the memory storage device. Publ. Appl. pars. [0091]-[0092].

Claim 4 has been canceled so the §112 rejection of claim 4 is moot.

Applicant respectfully requests withdrawal of the §112 rejections.

IV. REJECTIONS UNDER 35 U.S.C. §103(a)

Claims 1-4 and 6-9 were rejected under 35 U.S.C. §103(a) as allegedly unpatentable over U.S. Patent No. 6,697,948 to Rabin *et al.* (hereinafter,"Rabin") in view of U.S. Patent No. 6,801,999 to Venkatesan *et al.* (hereinafter, "Venkatesan").

Applicants respectfully traverse this rejection.

Independent claim 1 recites, *inter alia*:

> "receiving contents and content usage rights information from a contents distribution server in response to a user request at a memory storage device remote from the user;
> . . .
> storing the contents and content usage rights information on the memory storage device remote from the user;
> . . .
> wherein said content usage rights information contains a user's rights to use the contents stored on the memory storage device for a predetermined number of times, a predetermined end date/time showing the usable end time until which said contents can be used, a time period showing both a start date/time and an end date time over which the contents can be used, and a usage time showing an amount of time for which the content can be used." (emphases added).

As understood by the Applicants, Rabin discloses "supervising usage of software on a user's device and for a monitoring regime that prevents a device from employing any instance of software in a manner not authorized by the legitimate vendor or owner of the rights to that software." Col. 2, lines 60-65.

The Rabin device includes "a software vendor producing instances of software and a tag server accepting the instances of software. The tag server produces a plurality, of tags, one per instance of software, and each tag uniquely identifies an instance of software with which it is associated. A user device receives and installs an instance of software and securely receives a tag uniquely associated with that instance of software. The user device includes a supervising program which detects attempts to use the instance of software and which verifies the authenticity of the tag associated with the instance of software before allowing use of the instance of software. The supervising program on the user device verifies the authenticity of the tag . . ." Col. 3, lines 47-65.

Thus, in Rabin, both the software (contents) and supervising program (status key) are installed on the user's device. Indeed, Rabin gives the example of the ineffectiveness of "software locks" because the owner of the machine has unrestricted privileges and unlimited time to break locks. Col. 2, lines 23-25. This is another indication that the Rabin device is for contents installed in the user's device.

In contrast, claim 1, as amended, recites, "receiving contents from a contents distribution server in response to a user request at a memory storage device remote from the user . . . storing the contents on the memory storage device remote from the user." The contents and the contents usage are not stored on the user's device as in Rabin. In the present application the contents that have a usage restriction and the particular restrictions are stored on a device remote from the user. Thus, the user does not have unrestricted access to the contents and contents usage information as would be the case if such were stored on a user's device.

For reasons similar or somewhat similar to those described above with regard to independent claim 1, independent claims 7, 9 and 10 are also believed to be patentable.

V. DEPENDENT CLAIMS

The other claims are dependent from one of the claims discussed above and are therefore believed patentable for at least the same reasons. Because each dependent claim is also deemed to define an additional aspect of the invention, however, the individual reconsideration of the patentability of each on its own merits is respectfully requested.

VI. DISPUTATION OF ASSERTIONS OF FACT

The Office Action asserts, "to create and receive audit trial of action performed in order to protect a business [content] owner against possible legal action" (emphasis added) is considered admitted prior art because such was asserted in the prior Office Action and was unchallenged.

Applicants respectfully contend "audit trial" is not well known in the art. The Office Action does not make clear what an "audit trial" is or how such would be applied to the claims. Thus, Applicants did not challenge the assertion. Applicants reserve the right to challenge assertions of fact applied to the claims.

CONCLUSION

Claims 1-3, 6, 7, 9 and 10 are in condition for allowance. In the event the Examiner disagrees with any of statements appearing above with respect to the disclosure in the cited reference, or references, it is respectfully requested that the Examiner specifically indicate those portions of the reference, or references, providing the basis for a contrary view.

Please charge any additional fees that may be needed, and credit any overpayment, to our Deposit Account No. 50-0320.

In view of the foregoing amendments and remarks, it is believed that all of the claims in this application are patentable and Applicants respectfully request early passage to issue of the present application.

Respectfully submitted,

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